

EXHIBIT “G”

1 MR. HAMILTON: January 8 of
2 2001?

3 THE WITNESS: That's the
4 date that Bets purchased it from
5 Dr. Pappas and I got my purchase
6 option money.

7 MR. KAPUSTIN: I think
8 that's what he's asking.

9 BY MR. HAMILTON:

10 **Q. So you operated the car wash**
11 **from April of 1999 to January 2001?**

12 A. It was closed for a better
13 part of that time.

14 **Q. What part of --**

15 A. In the beginning we had to
16 close it to get it all up and running,
17 and it was months and months of it being
18 closed then. And the most significant
19 time that it was closed was once we
20 started to do Bets' due diligence. My
21 plan was to operate it until settlement.
22 And when we started to do the
23 environmental studies or tests or Phase
24 1s and 2s, the property got torn up and I

1 environmental study at my expense,
2 which was ultimately not what I
3 expected; but at that point it was
4 either did I want to sell it and
5 salvage as much of my investment
6 as I could or did I want to just
7 walk away and try and find
8 another buyer, and at that point
9 he scared the hell out of me.

10 BY MR. HAMILTON:

11 **Q. When did Mr. Bets approach**
12 **you about buying the property?**

13 A. Again, I'm not being vague,
14 I don't remember dates, I really don't.

15 **Q. Did you have an**
16 **environmental study done on the property?**

17 A. No. I went by the
18 environmental report that Dr. Pappas
19 supplied me from Carney.

20 **Q. In September of 2000, a**
21 **document marked as Carney exhibit 8, it's**
22 **Environment, Inc.'s "Phase 1 Site**
23 **Assessment," and it's addressed to Sanco,**
24 **Inc. Does that look familiar to you?**

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1 couldn't operate it. So it sat, and it
2 was test after test after test, so it
3 tied up the property.

4 **Q. Okay. But you owned it from**
5 **April --**

6 A. I never owned it.

7 **Q. Well, you had the lease**
8 **purchase arrangement?**

9 A. Correct.

10 **Q. I guess at the time of this**
11 **sale did Mr. Bets need to have some**
12 **environmental studies done to protect his**
13 **investment?**

14 MR. KAPUSTIN: Object to the
15 form. You can answer.

16 THE WITNESS: I don't
17 remember exact dates, but it was
18 always his concern that he didn't
19 have any major environmental
20 issues. When I sold my option, I
21 believe that I supplied Reinhardt's
22 Bets with a copy of the report
23 that I had gotten from Dr. Pappas.
24 He insisted on doing another

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1 A. Yes.

2 **Q. Is your company Sanco, Inc.?**

3 A. Yes.

4 **Q. Did you hire Mr. Carney's**
5 **company to do a Phase 1 assessment?**

6 A. Initially I called
7 Mr. Carney after speaking to Dr. Pappas.
8 And, you know, I said, "What kind of guy
9 is he?" He said he seems like a
10 reputable guy. And I said, "Well, seeing
11 how he's already done the first report, I
12 would be able to streamline it, I'm going
13 to ask Mr. Carney to do another one."
14 And this was supplied I believe to Bets.

15 **Q. Was this (indicating) site**
16 **assessment done for you as a result of**
17 **Mr. Bets' interest in acquiring the**
18 **property?**

19 A. It was part of my
20 requirement, I had to supply him with a
21 Phase 1. And from my recollection it was
22 understood that if the Phase 1 satisfied
23 Bets, it was the end of the day and
24 everything would be fine. When he

1 received this, he said, I'm not going to
2 accept this, it's not complete enough, I
3 don't know his exact words, but he didn't
4 like the way it read.
5 **Q. Okay.**
6 **A.** And I don't know all the
7 details.
8 **Q. So this was in September of**
9 **2000. So I guess prior to September of**
10 **2000 is when Mr. Bets approached you?**
11 **A.** Yes.
12 **Q. And at this point you were**
13 **still operating the car wash?**
14 **A.** Yes.
15 **Q. What was the next step to**
16 **alleviate the concerns that Mr. Bets had?**
17 **A.** He would not accept
18 Environmental, Inc.'s, report, he would
19 not accept him going any further; and I
20 don't really recall the exact
21 conversation, but he led me to believe
22 that he didn't have any faith in him. So
23 I said, "Fine. I will hire someone
24 else." And then I contacted Bell

1 Environmental and I had Bell
2 Environmental come in and do another
3 Phase 1 with the understanding, and again
4 this is all from memory, if the Phase 1
5 had any indication that a Phase 2 would
6 be required, at my expense I had to
7 continue and go through a Phase 2.
8 Initially when I did that, hired Bell, I
9 had asked Dr. Pappas, "Are you sure
10 there's not a problem here?" And he
11 seemed confident that there wasn't a
12 problem. And I said, at that point it
13 started to get a little bit tenuous
14 between Dr. Pappas and I, and I said to
15 him, I said, you know, "If this property
16 becomes too hot you and I have a big
17 problem" I said "because I took your word
18 for it." And he kept saying, "Hey, I got
19 a report," and then it would calm me down
20 and I'd think, okay, he got a credible
21 report, it can't be hot. Bell came out.
22 Bell did their test borings, and I
23 believe it was a Phase 1, which was a
24 little unique they made them do test

1 borings, which wasn't a problem, it
2 wasn't a big dollar issue, it wasn't a
3 problem. And where he did the test
4 borings, and again this is all memory,
5 there may have been mild, mild traces of
6 fuel. At that point Bets brought into
7 the mix his environmental guy. And I
8 even think part of the agreement was that
9 his environmental guy, that's how it
10 started, had to approve my environmental
11 people's report. And I believe his name
12 was Marion something.
13 **Q. Do you recall the name of**
14 **the company, was it GCI?**
15 **MR. KAPUSTIN:** It is.
16 **THE WITNESS:** Yes, I think
17 it was.
18 **BY MR. HAMILTON:**
19 **Q. So you hired Bell**
20 **Environmental?**
21 **A.** Yes.
22 **Q. Do you have any interest in**
23 **Bell Environmental?**
24 **A.** No, absolutely not.

1 **Q. Did any Sanco companies have**
2 **interest in Bell Environmental?**
3 **A.** No, sir. So when Bell came
4 in, they did their borings. Marion said,
5 "Not enough borings, not deep enough." I
6 think at that point I said, "Okay, we got
7 to do more." Because now I'm crazed over
8 this, we're arguing, I'm not getting
9 anywhere. I've got all this money tied
10 up, I'm not even selling it for what I
11 got in it, my option, I'm losing on the
12 deal, and now I just want to be away from
13 this thing; it was poison, it was
14 poisoned through the whole thing for
15 various reasons. Well, we came back out.
16 We drilled into the top of a tank which
17 was I believe no more than six feet below
18 the pavement, and it was a nightmare,
19 Bets almost wanted to walk away. I'm
20 telling Charlie that, "You told me there
21 was no tanks. I got all this money tied
22 up in this thing." It's tortured me for
23 the last two years. We have a problem."
24 And he was enough of a gentleman to say,